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NATIONAL ASSOCIATION OF
WOMEN BUSINESS OWNERS
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CHICAGO ILLINOIS 60611
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Final Report

TO: Small Business Administration

RE: SB-2M-00456-01

BACKGROUND

In order to enhance the educational resources provided to NAWBO members and other women business owners, NAWBO developed and tested an assessment profile and analysis mechanism which would provide direction to women business owners as they identify their business and personal development needs. The information generated will serve as a needs assessment to develop programs, products and services which will improve the viability and growth of women-owned firms.

NAWBO developed this instrument because it found it difficult to find substantive information about women business owners and their firms, particularly about owners who are beyond the start-up stage. Information was needed about the current status of these firms, plus an understanding of how women business owners viewed their respective futures.

In addition to collecting information about the content of resources that women business owners need, we also determined how such content should be delivered. Not only is such information critical to NAWBO's efforts in developing or delivering educational materials, but the instrument and NAWBO's results can be utilized by others in the private and public sectors

DATA COLLECTION

Instrument (see Appendix A)

A detailed assessment instrument was developed with the input of Neil C. Churchill and Virginia L. Lewis of Southern Methodist University's Caruth Institute of Owner-Managed business. The instrument was pretested with 25 entrepreneurs and revised based on their responses and evaluation.

The instrument is a lengthy one but was structured to serve not only as a data collection tool but a means to help entrepreneurs think about their firms, where they were headed, etc. This instrument is currently being used as a basis for a workshop offered at the National Initiative Conferences.

Sample

The instrument was first mailed January 15, 1984 to the NAWBO membership - 1,287 members at that time. A return date of February 29, 1984 was requested. A second mailing was sent in April to the 850 individuals who had not responded to the first mailing. The final report is based on 766 responses or a 59.5% response rate.

RESULTS/ANALYSIS & COMMENTS

The responses to each item are reflected in Appendix B.

Section I - Demographics & Business Capabilities

The geographic representation of the respondents reflects very closely the mix of the total NAWBO membership. The geographic representation does not reflect the total distribution of women business owners nationally as listed in "The State of Small Business."

Over three-quarters of NAWBO members own 51% or more of their firms. About half of the respondents do share ownership with others. Questions 5-7 of Section I detail the nature of those relationships.

Questions 8-11 outline the racial, age and marital status of respondents.

The responses to question #12 (firm's legal structure) reflects a dominance of structures other than sole proprietorship. This reinforces the need for national data on small businesses to be collected beyond sole proprietorships.

The firm type responses (Question #13) show the concentration of owners in services firms with consulting and professional services (legal/accounting/ medical) dominating. The "other" firm types listed are primarily services firms.

Question #14 outlines the size of the firms represented (both by employees and sales). The firms are small in terms of numbers of employees, but the sales size reflects some sizable firms.

13.8% Under $100,000
22.3% $101,000-$799,999
25.2% Over $800,000

It is interesting to note that 287 individuals did not respond to this question. About half of the non-respondents can be explained because they were founded in 1983/84.

Questions 17-21 describe the firms' sizes and nature of business in other ways - number of locations, franchising, scope of business (a significant number are regional or national) and nature of competition.

Question #22 indicates that a significant number (48%) of NAWBO members' firms have experienced over 20% growth in the last 4 years.

Question #23 measures the extent to which the respondents hold ownership in other firms (as is often the case with entrepreneurs). 14% of the respondents indicate ownership in one to three additional firms.

Section II - Owner/Business History

Via question #1 we see that NAWBO respondents match the general women business owner population in that many are recent owners. However, the membership also includes a significant number of established businesses. Close to 80% of these people started their own firms (Question #2), the majority are very highly educated (Question #3), plus had other business experience prior to business ownership. The motivations for ownership are listed in Question #4 with control/independence being the major factors.

The major business problems faced in the past 3-5 years (Question #5) revolve primarily around financing/cash flow and employee challenges.

In question #6, significant actions taken are involved in several marketing/sales related areas, plus employee and some organizational issues.

Section III - Current & Future Operations/Management of the Firm

The objective of this section was to determine areas that entrepreneurs may require resources development and assistance.

Respondents were asked to assess each area in terms of importance to the success of the firm, how well the firm was doing in the area and how well the CEO herself was able to handle this area. It's helpful to review the responses in this area in conjunction with the responses to item #14 (6 major problems in the next 2 years).

1. Marketing

   All facets of marketing are seen as important to the future of the firms. (Distribution is less an issue which is understandable, given the nature of firm types).

   From Question 1 and 14, promotion is viewed as a major future problem and is perceived as an area of need for enhancement by firm and CEO.

2. Product Service

   Again all aspects of product/service are important to the future of the firms. The major area needing attention and where both the firm and CEO need help relate to controlling, managing the costs of the product/service.

3. People

   Finding and keeping people are both critical issues for the firms. Finding the right people emerges as a particular concern. Keeping people is viewed as an area where the firm itself needs more work.

4. Financial

   All aspects of finance are important to the firm with financial planning emerging as an area where both the firm and the CEO could use assistance.

5. Owner/Manager Commitment

This was viewed as important and for the most part well-handled. These responses are in contrast to #14 where the time commitment of the owner is considered a major future problem.

6. Delegation

Delegation is viewed as important but the responses in #6 indicate that work needs to be done in the firm to enhance delegation. CEO needs in this area were not perceived to be as great (an unusual response given most entrepreneurs).

7. Day-to-Day Operational Planning

Again important with many CEOs indicating that their skills in handling this could be improved. It is not however viewed as a significant problem (when compared to other areas) facing the firm in the next few years.

8. Developing Key People

An important area which is perceived to need some attention in order to handle more effectively. Work on this area is tied to the concern about owners of their own time commitment.

9. Long-Range Strategic Planning

This is a priority area of self-perceived importance, concern and where there is a need for CEOs and their firms to address. It appears that access to resources to assist in this area would be very important and well-received.

10. A large portion of respondents indicate a use of a variety of business advisors with accountants and attorneys leading the list.

The Future #11-13

Growth and profitability are seen as major priorities for the majority of the owners. They expect to attain that through increased market penetration and by reinvesting profits. Very few see using other financing methods. These latter results (#13b) may indicate that growth could be limited if all of it is expected to be financed by profits. It also reinforces the need for attention to strategic and financial planning. It may also reflect that the need for control (which is rated very high) is so strong that it will limit growth prospects since growth typically means sharing control.

#14 has been referred to within the analysis of 1-9.

Section IV - Management and Professional Development

One of NAWBO's area of concern is how to best deliver developmental resources to its members. This section includes questions to help us understand to what extent development is viewed as important (as measured by time and money allocated to it) and how/when/where people prefer to have learning opportunities provided.

Importance (#1, 2 & 11)

The time and funds spent on self-education indicates that this area is important to these owners.

Expectations/Preferences for Education (#3-10)

There is a significant preference for resources taught by experts and for reading, although self-instruction has a more limited preference. Lecture and small group discussion are preferred. Short workshops, seminar and group study are attractive formats for the respondents and many are willing to travel to attend educational programs.

Section V - Community Involvement

This section was designed to elicit information of particular interest to NAWBO.

Comments/Recommendations

Based on the results reported, two major areas emerge as important for developmental programs and/or further exploration.

First, the owners have identified some developmental needs:

- Long-range, strategic planning. Given the observation/assessment of the limited resources of what's available for small firms, something new may need to be created.

- The other major needs (financial planning, marketing and finding the right people) all need to be addressed but at this point would seem to be most valuably approached within a strategic planning context.

The second area to be addressed is more complex, but could be more important to the viability of womens business ownership. That area is how and the extent to which these firms will grow. As is noted on page 4, reference to "The Future," the CEOs see a future of growth and profitability. Such goals are expected to be achieved via increased market penetration and reinvesting of profits. The options of expansion using debt and/or equity are considered by only a small percent of respondents. It would seem that this combination of responses could be explained by:

1. the high need for control and independence the owners have

   and/or

2. a lack of understanding about the need for, how to utilize other forms of financing

and/or

3. they haven't given much thought about how to grow (this could be a viable explanation given the lack of longer-range planning).

Given the importance of increasing the economic contribution and impact of women-owned firms, it would be very valuable to explore more fully which of the above reasons exist and what needs to be done to begin to expand owners' thinking about how to plan for and manage growth.

#6--Number of Other Owners Total Responses = 375

TOTAL	PERCENT	TOTAL	PERCENT
1 = 241	64%	10 = 3	<1.0%
2 = 72	19%	11 = 1	<1.0%
3 = 27	7.2%	12 = 1	<1.0%
4 = 9	2.4%	23 = 1	<1.0%
5 = 6	1.6%	25 = 1	<1.0%
6 = 4	1.1%	69 = 1	<1.0%
7 = 4	1.1%	74 = 1	<1.0%
9 = 1	<1.0%	200 = 1	<1.0%
		320 = 1	<1.0%

#7--Relationship of Other Owner(s) Total Responses = 261

TOTAL	PERCENT	TOTAL	PERCENT
a. Working = 241	64%	b. Spouse 128	92.0%
Absentee= 47	18%	Parent 32	12.0%
		Sister/ Brother 14	5.0%
		Child 13	5.0%
		Other 77	29.5%

Answers to "Other"

associate	nieces/nephews	grandmother
friend	ex-husband	cousin
banker	brother-in-law	unrelated
M.D.	mother-in-law	another company
partners	sister-in-law	systems expert
stockholders	private school	publicly held

#8--I Am..... Total Responses = 757

		TOTAL	PERCENT
White	=	713	94.0%
Black	=	27	4.0%
Oriental	=	5	<1.0%
Native American	=	6	<1.0%
Other-Hispanic	=	6	<1.0%

#9--Age Total Responses = 753

	TOTAL	PERCENT
20 - 29	42	5.5%
30 - 39	243	32.0%
40 - 49	201	27.0%
50 - 59	191	25.0%
60 - 69	66	8.8%
70+	10	1.3%

#10-Marital Status Total Responses = 744

	TOTAL	PERCENT
Married	436	58.0%
Single	139	18.6%
Widow	42	5.6%
Divorced	127	17.0%

#11-Children Living at Home Total Responses = 758

	TOTAL	PERCENT
1	143	18.8%
2	127	16.8%
3	42	5.5%
4	4	<1.0%
5	3	<1.0%
0	439	57.9%

#12-Firm's Legal Structure Total Responses = 758

	TOTAL	PERCENT
Sole Proprietorship	239	31.5%
Partnership	59	8.0%
Sub-Chapter(s)	101	13.0%
Corporation	359	47.0%

#13-Firm Type (Ranked in order of importance to business: 1 most, 5 least)

	1	2	3	4	5
Agriculture	5 - <1%	1 - <1%	1 - <1%	1 - 2%	0 -
Communications	85 - 11%	23 - 9%	9 - 8%	2 - 5%	0 -
Construction	25 - 3%	6 - 2%	3 - 3%	0 -	0 -
Consulting	131 - 17%	50 - 19%	14 - 13%	5 - 12%	0 -
Data Processing	13 - 2%	22 - 8%	2 - 2%	2 - 5%	3 - 25%
Direct Mail	8 - 1%	17 - 6%	14 - 13%	5 - 12%	1 - 8%
Distribution	37 - 5%	17 - 6%	11 - 10%	3 - 7%	0 -
Extractive	2 - <1%	0 -	1 - <1%	0 -	1 - 8%
Financial Serv.	34 - 4%	17 - 6%	8 - 7%	1 - 2%	2 - 16%
Manufacturing	39 - 5%	11 - 4%	6 - 6%	2 - 5%	0 -
Professional	112 - 15%	17 - 6%	9 - 8%	6 - 15%	0 -
Real Estate	18 - 2%	6 - 2%	1 - <1%	1 - 2%	0 -
Retail	71 - 9%	27 - 3%	9 - 8%	4 - 10%	1 - 8%
Other	184 - 24%	44 - 6%	22 - 20%	9 - 22%	4 - 33%
TOTALS	764	268	100	41	12

Answers to Other

Publishing	= 3
Travel	= 4
Service	= 17
Marketing	= 3
Search Firm/Employment Agency	= 3
Interior Design/Plant Design	= 7
Typesetting/Printing	= 3
Moving/Delivery/Transport	= 4
Advertising Agency	= 2
Convention/Assn. Mgmt.	= 2
Nursing	= 1
Photography	= 1
Audio-Visual	= 1
Sales	= 1
Nutrition	= 1
Market Research	= 1
Teaching	= 1

#14-Firm Size — Total Responses = 766

a. Number of Employees: — Full Time

		TOTAL	PERCENT
1	=	264	34.4%
2	=	122	16.0%
3	=	79	10.3%
4	=	52	6.7%
5	=	47	6.1%
6	=	25	3.2%
7	=	24	3.1%
8	=	29	3.7%
9	=	7	<1.0%
10	=	26	3.4%
15	=	10	1.3%
16-20	=	15	1.9%
21-30	=	26	3.4%
31-40	=	7	<1.0%
41-50	=	9	<1.0%
51-85	=	13	1.6%
100-350	=	11	1.4%
1200	=	1	<1.0%

a. Number of Employees: Part Time

		TOTAL	PERCENT
1	=	176	37.2%
2	=	108	22.8%
3	=	59	12.5%
4	=	27	5.7%
5	=	10	2.1%
6	=	21	4.4%
7	=	5	1.0%
8	=	6	1.2%
9	=	3	<1.0%
10	=	11	2.3%
11-20	=	15	3.1%
21-100	=	15	3.1%
200-300	=	5	1.0%
2000	=	1	<1.0%

b. Independent Contractors: Total Responses = 243

		TOTAL	PERCENT
1	=	55	22.6%
2	=	41	16.9%
3	=	31	12.8%
4	=	19	7.8%
5	=	19	7.8%
6	=	6	2.4%
7	=	2	<1.0%
8	=	4	1.6%
10	=	13	4.1%
11-20	=	23	9.4%
21-50	=	14	5.7%
51-100	=	10	4.1%
101-400	=	10	4.1%
1000	=	1	<1.0%

c. Annual Gross Sales Total Responses = 479

		TOTAL	PERCENT				
below $10,000	=	10	2.1%	300,000+	=	29	6.1%
10,000+	=	11	2.3%	350,000+	=	19	4.0%
20,000+	=	14	2.9%	400,000+	=	18	3.8%
30,000+	=	24	5.0%	500,000+	=	17	3.6%
40,000+	=	15	3.1%	600,000+	=	14	2.9%
50,000+	=	14	2.9%	700,000+	=	15	3.1%
60,000+	=	19	4.0%	800,000+	=	8	1.7%
70,000+	=	12	2.5%	900,000+	=	4	0.8%
80,000+	=	14	2.9%	1 million+	=	17	3.6%
90,000+	=	8	1.7%	2 million+	=	15	3.1%
100,000+	=	60	12.5%	3 million+	=	15	3.1%
150,000+	=	25	5.2%	4 million+	=	6	1.3%
200,000+	=	29	6.1%	5 million+	=	17	3.6%
250,000+	=	24	5.0%	6 million+	=	2	0.4%
				7 million+	=	4	0.8%

#15-Hours Worked Per Week Total Responses = 740

	TOTAL	PERCENT
Less than 20	18	2.4%
20 - 40	150	20.0%
40 - 60	368	49.7%
60 - 80	161	21.7%
80+	43	5.8%

#16-Principal Product of Firm		Secondary Product
Accounting	40	
Administrative Services	10	20
Advertising	20	4
Architectural	4	
Art	4	2
Attorney	25	
Audio/Visual	8	7
Autos	5	2
Banking/Financial	11	
Books	3	
Business Forms/Stationery	11	
Cabinetry	2	
Cable	2	
Chemicals	2	
Chiropratic	4	
Clothing	20	7
Collections	3	
Commodities/Securities	5	
Communications	13	3
Computers	14	25
Consulting (prod/mgmt)	45	32
Consulting (self)	27	
Consulting (tax/finance)	18	36
Construction	9	
Court Reporting	2	
Day Care	2	1
Demonstrations	2	
Dental Dermatology	4	
Direct Mail	10	
Distributors	12	
Education	15	8
Electrical Supplies	8	
Employment/Recruiting	35	3
Engineering	3	
Equipment	10	
Excavation	2	
Eyes	5	3
Flowers	9	3
Food	15	3
Fund-Raising	2	3
Graphic/Design	6	4
Health Care	35	6
Home/Bus Cleaning Service	11	4
Information Systems	19	
Insurance	19	6
Interior Design	13	3
Jewelry	6	
Lobbying	3	
Manufacturing	27	
Market Research	6	
Marketing	18	
Messenger Services	5	
Pet Services	2	2

Pharmacy	3	
Photography	5	4
Physical Fitness	4	
Printing/Publishing	20	18
Psychology	9	
Real Estate	20	2
Retail Stores	23	
Seminars	5	19
Travel	9	6
Writing	12	5

#17-Firm's Locations — Total Responses = 746

		TOTAL	PERCENT			TOTAL	PERCENT
1	=	615	82.4%	6-15	=	5	<1.0%
2	=	86	11.5%	25-30	=	2	<1.0%
3	=	18	2.4%	62	=	1	<1.0%
4	=	8	1.0%	100	=	1	<1.0%
5	=	7	<1.0%	900	=	1	<1.0%

#18-Number of Franchisees — Total Responses = 725

	TOTAL	PERCENT
Yes =	18	2.5%
No =	707	97.5%

#19-Number of Franchisors — Total Responses = 715

	TOTAL	PERCENT
Yes =	8	1.0%
No =	707	99.0%

#20-Describe Businesss... — Total Responses = 759

	TOTAL	PERCENT
Local	408	54%
State-wide	60	8%
Regional	111	15%
National	140	18%
International	40	5%

#21-Principle Competitors... — Total Responses = 743

	TOTAL	PERCENT
Local, small	312	42.0%
Local, large	173	23.0%
State-wide	19	2.5%
National	159	22.0%
International	13	2.0%
Other	11	1.0%
No major competition	56	8.0%

#22-Sales Growth In Last 4 Years Total Responses = 707

	TOTAL	PERCENT
Over 40%	159	22%
30 - 40%	99	14%
21 - 29%	84	12%
6 - 20%	142	20%
0 - 5%	30	4%
Declining	15	2%
Too new	178	25%

#23-Additional Firms Total Responses = 108

	2nd Firm	3rd Firm	4th Firm
Agriculture	2	2	1
Communications/P.R.	3	1	2
Consulting	13	2	1
Data Processing	3	1	
Direct Mail	3		
Distribution/Wholesale	11	2	1
Extractive	1		
Financial Service	6	1	
Manufacturing	9	3	1
Professional	5	2	
Real Estate	12	7	1
Retail	11		
Other	29	6	2

Section II - Owner/Business History

#1--Year Firm Founded — Total Responses = 753

	TOTAL	PERCENT
Less than 1 year =	10	1.3%
1-5 =	406	53.9%
6-10 =	178	23.6%
11-20 =	89	11.8%
21+ =	70	9.3%

#2--Origin of Firm — Total Responses = 765

	TOTAL	PERCENT
Started the firm	603	79.0%
Purchase existing firm	75	9.8%
Inherit the firm	30	4.0%
Other	57	8.0%

#3--a. Education — Total Responses = 748

	TOTAL	PERCENT
Grammar school or less	1	<1.0%
Some high school	10	1.3%
High school graduate	48	6.4%
Some college	188	25.0%
College graduate	214	28.6%
Graduate school	214	28.6%
Professional school	73	9.7%

b. Career History — Total Responses = 748

	TOTAL	PERCENT
No other business experience	120	16.0%
Worked in another business that was... small	174	23.2%
medium	170	22.7%
large	238	31.8%
Owned another business	98	13.1%

#4--Reason for going into business... Total Responses = 667

	TOTAL	PERCENT
Already had contacts	14	2.0%
Alternative to teaching	22	3.0%
Challenge	95	14.0%
Close to home	11	1.6%
Company working at relocated	4	
Control destiny/independence	253	38.0%
Death owner/in family	4	
Divorce settlement	1	
Do better job	14	2.0%
Discrimination	11	1.6%
Encouraged/talked into	11	1.6%
Entrepreneur/risk taker	37	5.5%
Family	30	4.5%
Flexibility/own hours	52	7.8%
Financial independence	157	23.5%
Fired/laid off	7	
Growth/fulfillment	186	27.8%
Inherited	14	2.0%
Mid life career change	4	
Partner differences	4	
Provided needed serv/prod	77	11.5%
Purchased from ex-employer	12	1.7%
Retired	9	
Stagnation	20	3.0%
Sold previous business	6	
Unkept promises	6	
Widowed	2	

#5--Major Business Problems In Past 3-5 Years Total Responses = 658

	TOTAL	PERCENT
Acceptance as WBO/credibility	50	7.6%
Accounting/bookkeeping	33	5.0%
Advertising	35	5.3%
Business know how	52	8.0%
Buying resistance	18	2.7%
Cash flow	126	19.0%
Changing Business Plans	7	
Client's Bankruptcy	3	
Credit	4	
Competition	34	5.0%
Collections	50	7.6%
Develop new skills	4	
Economy	86	13.0%
Employee Problems	194	29.4%
Establishing marketplace	15	2.2%
Expansion	26	4.0%
Fees	38	5.7%
Financing	139	21.0%
Future planning	17	2.6%
Government regulations	20	3.0%
High interest rates	15	2.2%
Inventory control	9	1.3%
Management	72	11.0%
Marketing	76	11.5%
Motivation	30	4.5%
Neighborhood change	12	1.8%
Networking	12	1.8%
Over expansion	46	7.0%
Paperwork	13	2.0%
Partnership disagreements	15	2.2%
Product diversification	8	1.2%
Product quality	8	1.2%
Profit/sales/business	52	8.0%
Relocation	4	
Reputation	16	2.4%
Shoplifting/theft	9	1.3%
Suppliers	14	2.0%
Taxes	8	1.2%
Undercapitalization	14	2.1%
Union/non-union	4	
Updating equipment	19	2.9%

#6--Most Significant Action Taken Total Responses = 557

	TOTAL	PERCENT
Advertising	56	10.0%
Aggressiveness	96	17.0%
Built own building	9	1.6%
Computerization	23	4.0%
Contracts	12	2.0%
Cut staff/Overhead	6	1.0%
Diversification of Product	24	4.3%
Divorce	3	
Economy	20	3.6%
Education	38	6.8%
Employees	60	10.7%
Equipment	25	4.4%
Expansion	35	6.0%
Fees	17	3.0%
Financing	12	2.0%
Gov't Regulations	16	2.8%
Hours	11	2.0%
Joined organizations	40	7.0%
Location	42	7.5%
Marketing	51	9.1%
Merger	3	
Networking	18	3.2%
Reorganization	59	10.5%
Partnership	23	4.0%
Personal Service	61	11.0%
Published	12	2.0%
Speaking/seminar teaching	5	
Stock/bonuses for employees	13	2.3%
Support	7	1.2%
Time management	5	

Section III - Current & Future Operations/Management of the Firm

#1--Marketing

Pricing

	success of firm		handled by firm		handled by me	
	TOTAL	PERCENT	TOTAL	PERCENT	TOTAL	PERCENT
1:	13	2.5%	3	- 1%	13	2.3%
2:	28	5.5%	39	1%	26	4.7%
3:	67	13.3%	65	16.6%	142	25.7%
4:	106	21.1%	167	42.8%	214	38.8%
5:	354	70.6%	116	29.7%	156	28.3%
TOTAL	501		390		551	

Distribution

	success of firm		handled by firm		handled by me	
1:	52	13.1%	29	8.8%	33	9.6%
2:	26	6.6%	47	14.3%	40	11.7%
3:	57	14.4%	112	34.0%	102	29.8%
4:	76	19.2%	96	29.1%	113	33.0%
5:	184	46.6%	45	13.7%	54	15.8%
TOTAL	395		329		342	

Promotion

	success of firm		handled by firm		handled by me	
1:	13	2.2%	28	5.7%	33	6.3%
2:	20	3.4%	92	18.6%	68	13.0%
3:	52	9.0%	197	40.0%	162	31.0%
4:	112	19.3%	111	22.5%	138	26.3%
5:	383	66.0%	66	13.4%	123	23.5%
TOTAL	580		494		524	

#2--Product Services

Design

1:	20	4.6%	18	4.8%	12	3.1%
2:	18	4.2%	16	4.3%	9	2.3%
3:	53	12.4%	68	18.0%	55	14.5%
4:	78	18.3%	129	34.3%	138	36.3%
5:	277	65.0%	145	38.6%	166	43.7%
TOTAL	426		376		380	

Quality	success of firm		handled by firm		handled by me	
	TOTAL	PERCENT	TOTAL	PERCENT	TOTAL	PERCENT
1:	7	1.2%	6	1.2%	10	1.9%
2:	3		10	2.0%	3	
3:	12	2.1%	49	10.2%	35	6.6%
4:	43	7.6%	152	31.7%	156	29.3%
5:	494	88.4%	262	54.7%	335	62.9%
TOTAL	559		479		533	
Availability						
1:	10	1.9%	9	2.0%	8	1.7%
2:	12	2.3%	25	5.6%	19	4.0%
3:	52	10.0%	118	26.6%	84	17.8%
4:	86	16.5%	126	28.4%	175	37.0%
5:	361	69.3%	166	37.4%	186	39.4%
TOTAL	521		444		472	
Cost						
1:	8	1.6%	6	1.3%	1	
2:	17	3.3%	23	53.4%	18	36.9%
3:	79	15.5%	120	28.0%	109	22.4%
4:	112	22.0%	157	36.5%	199	40.9%
5:	292	57.5%	124	28.8%	160	32.9%
TOTAL	508		430		487	
#3--People						
Finding						
1:	20	3.6%	28	6.6%	27	5.1%
2:	16	2.8%	31	7.3%	59	11.2%
3:	43	7.7%	150	35.5%	144	27.4%
4:	99	17.6%	128	30.3%	161	30.7%
5:	384	68.3%	86	20.3%	134	25.5%
TOTAL	562		423		525	
Keeping						
1:	17	3.0%	19	40.5%	19	3.7%
2:	17	3.0%	38	8.1%	33	6.4%
3:	47	8.5%	123	26.2%	88	17.2%
4:	93	16.8%	183	39.0%	176	34.6%
5:	378	68.5%	106	22.6%	193	38.0%
TOTAL	552		469		509	

#4--Financial

	success of firm		handled by firm		handled by me	
	TOTAL	PERCENT	TOTAL	PERCENT	TOTAL	PERCENT
Acquiring						
1:	32	6.2%	31	6.1%	28	5.8%
2:	41	7.9%	50	9.8%	59	12.2%
3:	85	16.4%	94	18.5%	127	26.3%
4:	96	18.5%	87	17.1%	136	28.1%
5:	264	51.0%	246	48.4%	133	27.5%
TOTAL	518		508		483	
Managing						
1:	5		15	2.8%	9	1.7%
2:	10	1.7%	41	7.7%	36	6.6%
3:	52	9.0%	139	26.2%	167	30.7%
4:	136	23.5%	153	28.9%	184	33.8%
5:	375	64.9%	181	34.2%	148	27.2%
TOTAL	578		529		544	
Planning						
1:	10	1.8%	21	4.8%	22	4.2%
2:	13	2.3%	73	16.9%	62	12.0%
3:	66	11.7%	164	38.0%	163	31.5%
4:	133	23.6%	112	26.0%	169	32.6%
5:	341	60.6%	61	14.1%	102	19.7%
TOTAL	563		431		518	

#5--Owner/Manager's

Time Commitment						
1:	5		6	1.3%	6	1.0%
2:	5		15	3.3%	13	2.2%
3:	28	4.6%	94	20.8%	76	13.0%
4:	108	17.6%	143	31.6%	152	26.2%
5:	469	76.3%	194	43.0%	334	57.5%
TOTAL	615		452		581	
Emotional Commitment						
1:	7	1.2%	5		5	
2:	11	2.0%	14	3.1%	17	3.0%
3:	35	6.0%	94	21.1%	54	9.4%
4:	96	16.6%	120	27.0%	123	21.5%
5:	427	74.1%	212	47.6%	373	65.2%
TOTAL	576		445		572	

Monetary Commitment	success of firm		handled by firm		handled by me	
	TOTAL	PERCENT	TOTAL	PERCENT	TOTAL	PERCENT
1:	31	5.4%	21	5.2%	16	2.9%
2:	25	4.3%	32	7.9%	28	5.2%
3:	90	15.5%	80	19.7%	74	13.6%
4:	113	19.5%	98	24.1%	118	21.7%
5:	320	55.3%	175	43.1%	307	56.5%
TOTAL	579		406		543	

#6--Delegation of Authority

1:	29	5.4%	22	4.7%	21	4.0%
2:	30	5.6%	50	10.7%	45	8.6%
3:	101	18.7%	177	38.0%	153	29.0%
4:	150	27.8%	139	29.8%	155	29.4%
5:	229	42.5%	78	16.7%	152	28.9%
TOTAL	539		466		526	

Responsibility

1:	18	3.2%	17	3.7%	22	4.0%
2:	22	3.9%	48	10.4%	35	6.5%
3:	86	15.4%	154	33.6%	147	27.3%
4:	154	27.6%	141	30.7%	159	29.6%
5:	277	49.7%	99	21.6%	175	32.5%
TOTAL	557		459		538	

#7--Day to Day Operational Systems Planning

1:	13	2.3%	15	3.2%	13	2.4%
2:	17	3.0%	40	8.6%	40	7.2%
3:	69	12.3%	158	33.8%	158	28.6%
4:	155	27.7%	166	35.5%	210	38.0%
5:	306	54.6%	88	18.8%	132	23.9%
TOTAL	560		467		553	

#8--Developing Key People

1:	23	4.3%	31	7.0%	28	5.6%
2:	23	4.3%	53	12.1%	47	9.4%
3:	55	10.3%	143	32.6%	132	26.4%
4:	124	23.1%	140	32.0%	180	36.0%
5:	311	58.0%	71	16.2%	112	22.4%
TOTAL	536		438		499	

#9--Long Range Strategic Planning

	success of firm		handled by firm		handled by me	
	TOTAL	PERCENT	TOTAL	PERCENT	TOTAL	PERCENT
1:	11	1.8%	44	9.5%	44	7.9%
2:	20	3.4%	104	22.4%	85	15.3%
3:	94	16.1%	173	37.4%	215	38.6%
4:	151	25.9%	93	20.0%	131	23.5%
5:	308	52.7%	49	10.9%	82	14.7%
TOTAL	584		463		557	

#10-Extent of Use of the Following (1 most extensive)

	1		2		3		4		5	
Attorney						Total Responses = 665				
	99	14.9%	149	22.4%	171	25.0%	114	17.0%	132	19.8%
Accountant						Total Responses = 693				
	254	36.7%	137	19.8%	140	20.2%	87	12.6%	75	10.8%
Banker						Total Responses = 624				
	105	16.8%	132	21.1%	155	24.8%	113	18.1%	119	19.0%
Business Advisor						Total Responses = 481				
	105	21.8%	59	12.3%	83	17.3%	82	17.0%	152	31.6%
Other						Total Responses = 133				
	41	30.8%	17	12.9%	19	14.3%	14	10.5%	42	31.6%

#11-Major Objectives Over Next 5 Years: Total Responses = 561

	TOTAL	PERCENT
Economic well being	422	75.2%
Status in community	26	4.6%
Control over destiny	58	10.3%
Prove myself	23	4.0%
Power	32	5.7%
Other	50	8.9%

#12-Firm's Major Objective Over Next 5 Years: Total Responses = 704

Profitability	360	51.1%
Growth	260	36.9%
Stability	45	6.4%
Respectability	30	4.2%
Divest	2	<1.0%
Other	7	1.0%

#13-a. How Will You Grow — Total Responses = 317

Increased market penetration	168	53.0%
New markets	77	24.2%
New products/services	36	11.4%
Merging firm	19	6.0%
Other	17	5.4%

b. Finance Growth — Total Responses = 405

Reinvest profits	311	77.0%
Owner's capital	68	16.8%
Debt	16	4.0%
Equity	10	2.5%

#14-Six Major Problems — Total Responses = 556

	TOTAL	PERCENT
Marketing:		
Pricing	75	13.4%
Distribution	98	17.6%
Promotion	421	75.7%
Product/Service:		
Design	84	15.1%
Quality	160	28.7%
Availability	127	22.8%
Cost	216	38.8%
People:		
Finding	411	73.9%
Keeping	230	41.4%
Financial:		
Acquiring	207	37.2%
Managing	210	37.8%
Planning	261	46.9%
Owner/Manager's:		
Time Commitment	299	53.8%
Emotional Commitment	111	20.0%
Monetary Commitment	74	13.3%

Delegation of:		
Authority	118	21.2%
Responsibility	202	36.3%
Day to Day Operational Systems Planning:	138	24.8%
Developing Key People	227	40.8%
Long Range, Strategic Planning	256	46.0%

Section IV

#1--Days Spent in Educational Experiences, Past Two Years: Total Responses=622

		TOTAL	PERCENT
0 - 5	=	148	23.8%
6 - 10	=	125	20.0%
15 - 20	=	135	21.7%
21 - 50	=	138	22.2%
51 - 100	=	27	4.3%
101 - 400	=	40	6.4%
600 - 2 years	=	3	

#2--$ Spent For Self Education, Past Two Years: Total Responses = 726

Under $500	187	25.8%
501 - 999	149	20.5%
1000 - 1999	175	24.1%
2000 - 2999	88	12.1%
3000 - 4999	64	8.8%
5000+	63	8.7%

#3--Best Learning/Education Experienced

	AGREE	DISAGREE	TOTAL
Taught by peers	355 - 78.7%	96 - 21.3%	451
Taught by experts	555 - 94.0%	37 - 6.0%	592
Through reading	544 - 93.0%	41 - 7.0%	585
Self-instruction	247 - 63.7%	141 - 36.3%	388

#4--Valuable Educational Experience Used Total Responses = 698

	TOTAL	PERCENT
Lecture	399	57.1%
Experiential	334	47.9%
Audio-Visual	210	30.0%
Case Study	245	35.1%
Small Group Discussion	477	68.3%
Panel Format	236	33.8%

#5--Educational Program Expectations

	AGREE VERY STRONGLY	AGREE STRONGLY	AGREE SOMEWHAT	DISAGREE SOMEWHAT	DISAGREE STRONGLY	DISAGREE VERY STLY
Use info immediately:			Total Responses = 674			
	187	232	222	27	5	1
	27.7%	34.4%	33.0%	4.0%		
Use info within 2 years:			Total Responses = 664			
	189	274	150	21	21	9
	28.5%	41.3%	22.6%	3.2%	3.2%	1.3%
Use info in future:			Total Responses = 650			
	215	223	167	29	15	1
	33.0%	34.3%	25.7%	4.5%	2.3%	
Time to exchange ideas:			Total Responses = 668			
	287	206	145	20	7	3
	43.0%	30.8%	21.7%	3.0%	1.0%	

#7--Educational Resources Presented Total Responses = 673

	TOTAL	PERCENT
Correspondence Courses	352	52.3%
Self-Study	341	50.6%
Mini-Workshops	499	74.1%
Short Programs	526	78.2%
Seminars	486	72.2%
Extended Programs	312	46.4%
Small Group Study	460	68.4%

#8--Attend Educational Programs Total Responses = 671

	TOTAL	PERCENT
Only in vicinity	219	32.6%
Within 50 miles	167	24.8%
Within 100 miles	81	12.0%
100+ miles	204	30.4%

#9--Best Months — Total Responses = 670

	TOTAL	PERCENT
No preference	263	39.2%
January	133	19.8%
February	152	22.7%
March	108	16.1%
April	70	10.4%
May	67	10.0%
June	104	15.5%
July	134	20.0%
August	142	21.1%
September	71	10.6%
October	91	13.6%
November	78	11.6%
December	58	8.6%

#10-Best Time of Day — Total Responses = 671

	TOTAL	PERCENT
Early Morning	211	31.4%
Morning	321	48.0%
Mid-Day	135	20.1%
Afternoon	114	17.0%
Early Evening	233	34.7%
Evening	199	29.7%

#11-How Much Budgeted

	TOTAL	PERCENT
None Budgeted =	318	53.5%
Self	Total Responses = 594	
50 - 499 =	32	5.4%
500 - 999 =	78	13.1%
1000 - 1999 =	88	14.8%
2000 - 4999 =	71	12.0%
5000 - 7000 =	7	1.1%
Managers	Total Responses = 433	
100 - 499 =	26	6.0%
500 - 999 =	11	2.5%
1000 - 1999 =	36	8.3%
2000 - 4999 =	20	4.6%
5000 - 9000 =	22	5.0%

Section V

Political Party — Total Responses = 687

	TOTAL	PERCENT
Democrat	258	37.5%
Republican	258	37.5%
Independent	164	23.9%
Other	7	1.0%

NAWBO History

Years in NAWBO — Total Responses = 656

	TOTAL	PERCENT
1 or less	352	53.7%
2	155	23.6%
3 - 4	132	20.1%
5 - 7	71	10.8%
8 - 10	16	2.4%

Why Joined... — Total Responses = 690

	TOTAL	PERCENT
Network of support	357	51.7%
Business contacts	222	32.2%
Political Impact/Influence	29	4.2%
Educational Resources	48	7.0%
Other	34	4.9%

Why Remain... — Total Responses = 652

	TOTAL	PERCENT
Network of support	331	50.8%
Business contacts	153	23.5%
Political Impact/Influence	49	7.5%
Educational Resources	39	6.0%
Other	80	12.3%

NAWBO SURVEY CROSSTABS

GROSS SALES

PRIMARY TYPE	$0 - $100,000 TOTAL	PERCENT	101-799,999 TOTAL	PERCENT	800,000+ TOTAL	PERCENT
Agriculture	1	-1.0%	5	2.8%	1	-1.0%
Communications/PR	22	12.9%	16	9.0%	13	10.7%
Construction	3	1.8%	8	4.5%	8	6.6%
Consulting	42	24.6%	16	9.0%	12	9.9%
Data Processing	2	1.2%	2	1.1%	1	-1.0%
Direct Mail	3	1.8%	1	-1.0%	0	0.0%
Distribution	4	2.3%	5	2.8%	16	13.2%
Extractive	1	-1.0%	1	-1.0%	0	0.0%
Financial Services	7	4.0%	4	2.3%	9	7.4%
Manufacturing	5	2.9%	16	9.0%	11	9.0%
Professional	24	14.0%	26	14.7%	4	3.3%
Real Estate	0	0.0%	3	1.7%	3	2.5%
Retail	16	9.4%	35	19.8%	22	18.1%
Other	41	24.0%	40	23.2%	21	17.4%
TOTAL RESPONSES	171		177		121	= 469

FULL TIME EMPLOYEES

	0 - 100,000 TOTAL	PERCENT	101-799,999 TOTAL	PERCENT	800,000+ TOTAL	PERCENT
1 =	74	63.8%	24	13.0%	2	1.6%
2 =	18	15.5%	38	20.5%	6	4.7%
3 =	5	4.3%	23	12.4%	4	3.1%
4 - 9 =	5	4.3%	82	44.3%	26	20.3%
10 - 14 =	1	-1.0%	14	7.6%	24	18.8%
15 - 19 =	3	2.6%	1	-1.0%	6	4.7%
20 - 29 =	0		1	-1.0%	27	21.0%
30 - 39 =	0		1	-1.0%	10	7.8%
40 - 49 =	0		0		4	3.1%
50 - 59 =	0		0		2	1.6%
60 - 69 =	0		1	-1.0%	5	3.9%
70 - 100 =	0		1	-1.0%	4	3.1%
100+ =	0		0		8	6.3%
TOTAL RESPONSES	116		185		128	= 429

HOURS WORK PER WEEK

	0 - 100,000		101-799,999		800,000+	
	TOTAL	PERCENT	TOTAL	PERCENT	TOTAL	PERCENT
Less than 20	13	8.7%	4	1.9%	0	0.0%
20 - 40	44	29.5%	33	16.0%	16	13.3%
40 - 60	52	34.9%	114	55.3%	60	50.0%
60 - 80	33	22.1%	45	21.8%	36	30.0%
80 or more	7	4.7%	14	6.8%	8	6.7%
TOTAL RESPONSES	149		206		120	= 475

GROWTH

	0 - 100,000		101-799,999		800,000+	
	TOTAL	PERCENT	TOTAL	PERCENT	TOTAL	PERCENT
over 40%	30	19.5%	55	26.2%	29	29.6%
30 - 40%	20	13.0%	31	14.8%	14	14.3%
21 - 29%	16	10.4%	31	14.8%	12	12.2%
6 - 20%	24	15.6%	55	26.2%	30	30.6%
0 - 5%	3	1.9%	8	3.8%	9	9.2%
declining	7	4.5%	9	4.3%	1	1.0%
Too new	54	35.0%	21	10.0%	3	3.0%
TOTAL RESPONSES	154		210		98	= 462

CAREER HISTORY

	0 - 100,000		101-799,999		800,000+	
	TOTAL	PERCENT	TOTAL	PERCENT	TOTAL	PERCENT
No business experience	22	17.0%	33	16.6%	20	16.3%
Worked other business						
small	34	26.4%	38	19.0%	28	22.8%
medium	19	14.7%	42	21.1%	21	17.0%
large	56	43.4%	56	28.1%	36	29.3%
Owned other business	17	13.2%	30	15.0%	18	14.6%
TOTAL RESPONSES	129		199		123	= 451

PROBLEMS

	0 - 100,000		101-799,999		800,000+	
	TOTAL	PERCENT	TOTAL	PERCENT	TOTAL	PERCENT
Pricing	37	4.4%	66	5.6%	35	6.5%
Distribution	25	3.0%	25	2.1%	21	3.9%
Promotion	103	12.2%	118	10.0%	43	4.0%
Design	28	3.3%	21	1.8%	7	1.3%
Quality	19	2.2%	42	3.5%	19	3.5%
Availability	40	4.7%	43	3.6%	16	3.0%
Cost	34	4.0%	72	6.0%	33	6.2%
Finding	94	11.0%	124	10.5%	59	11.0%
Keeping	30	3.5%	72	6.0%	28	5.2%
Acquiring	53	6.3%	62	7.3%	19	3.5%
Managing	47	5.5%	55	4.6%	23	4.3%
Planning	49	5.8%	75	6.3%	25	4.7%
Time Commitment	54	6.4%	77	6.5%	35	6.5%
Emotional Commitment	30	3.5%	32	2.7%	16	3.0%
Monetary Commitment	35	4.1%	27	2.3%	26	4.9%
Authority	21	2.5%	34	2.9%	31	5.8%
Responsibility	18	2.1%	43	3.6%	7	1.3%
Day to Day Planning	21	2.5%	39	3.3%	13	2.4%
Developing Key People	47	5.5%	75	6.3%	41	7.6%
Long Range Planning	62	7.3%	83	7.0%	39	7.3%
TOTAL RESPONSES	847		1185		536	

Percentages based on responses to each question; Each respondant had the opportunity to mark six major problems.

YEARS IN NAWBO

	0 - 100,000		101-799,999		800,000+	
	TOTAL	PERCENT	TOTAL	PERCENT	TOTAL	PERCENT
1 or less	94	60.3%	99	48.3%	33	34.7%
2	24	15.4%	43	21.0%	24	25.3%
3 - 4	28	18.0%	57	27.8%	23	24.2%
5 - 7	9	5.8%	5	2.4%	10	10.5%
8 - 10	1	-1.0%	1	-1.0%	5	5.3%
TOTAL RESPONSES	156		205		95	= 456

The slight discrepancy in totals is due to respondants within the Gross Sales Categories did not answer the question.

NAWBO SURVEY CROSSTABS

PRIMARY FIRM

	OVER 21% GROWTH		0 - 20%	
	TOTAL	PERCENT	TOTAL	PERCENT
Agriculture	2	-1.0%	0	0.0%
Communications/PR	44	10.1%	15	8.8%
Construction	11	2.5%	4	2.3%
Consulting	53	12.3%	19	11.1%
Data Processing	4	-1.0%	1	-1.0%
Direct Mail	4	-1.0%	1	-1.0%
Distribution	15	3.4%	12	7.0%
Extractive	1	-1.0%	0	0.0%
Financial Services	14	3.2%	9	5.3%
Manufacturing	19	4.4%	15	8.8%
Professional	57	13.2%	24	14.0%
Real Estate	6	1.4%	4	2.3%
Retail	30	6.9%	26	15.2%
Other	78	18.0%	41	24.0%
TOTAL RESPONSES	432		171	

FULL TIME EMPLOYEES

	OVER 21% GROWTH		0 - 20%	
	TOTAL	PERCENT	TOTAL	PERCENT
1 =	69	22.0%	31	20.2%
2 =	39	12.5%	19	12.4%
3 =	28	8.9%	12	7.8%
4 =	12	3.8%	16	10.5%
5 =	22	7.0%	7	4.6%
6 =	10	3.2%	7	4.6%
7 =	13	4.2%	4	2.6%
8 =	14	4.5%	9	5.9%
9 =	4	1.3%	3	2.0%
10 =	16	5.1%	4	2.6%
11 - 15 =	28	8.9%	9	5.9%
16 - 20 =	13	4.2%	4	2.6%
21 - 30 =	18	5.8%	8	5.2%
31 - 40 =	5	1.6%	1	-1.0%
41 - 50 =	5	1.6%	6	3.9%
51 - 85 =	9	2.9%	7	4.6%
100-350 =	8	2.6%	5	3.3%
1200 =	0	0.0%	1	-1.0%
TOTAL RESPONSES	313		153	

SALES

	OVER 21% GROWTH		0 - 20%	
	TOTAL	PERCENT	TOTAL	PERCENT
below $10,000	2	-1.0%	1	-1.0%
10,000+	1	-1.0%	1	-1.0%
20,000+	4	1.5%	2	1.5%
30,000+	11	4.2%	5	3.8%
40,000+	6	2.3%	2	1.5%
50,000+	5	1.9%	1	-1.0%
60,000+	11	4.2%	4	3.0%
70,000+	9	3.4%	2	1.5%
80,000+	6	2.3%	5	3.8%
90,000+	4	1.5%	2	1.5%
100,000+	40	15.3%	19	14.6%
200,000+	33	12.6%	18	13.8%
300,000+	20	7.7%	10	7.7%
400,000+	6	2.3%	5	3.8%
500,000+	11	4.2%	5	3.8%
600,000+	9	3.4%	0	0.0%
700,000+	6	2.3%	6	4.6%
800,000+	5	1.9%	5	3.8%
1 million+	33	12.6%	16	12.3%
2 million+	10	3.8%	3	2.3%
3 million+	11	4.2%	5	3.8%
4 million+	3	1.1%	3	2.3%
5 million+	7	2.7%	6	4.6%
6 million+	1	-1.0%	0	0.0%
7 million+	7	2.7%	3	2.3%
TOTAL RESPONSES	261		130	

HOURS WORKED

	OVER 21% GROWTH		0 - 20%	
	TOTAL	PERCENT	TOTAL	PERCENT
less than 20	2	-1.0%	2	1.1%
20 - 40	51	15.2%	38	22.0%
40 - 60	161	48.0%	78	45.0%
60 - 80	94	28.0%	51	29.5%
80 or more	27	8.0%	4	2.3%
TOTAL RESPONSES	335		173	

YEAR FOUNDED

	OVER 21% GROWTH		0 - 20%	
	TOTAL	PERCENT	TOTAL	PERCENT
1877 - 1959	16	4.6%	28	16.7%
1960 - 1969	25	7.2%	24	14.3%
1970 - 1979	184	53.0%	92	55.0%
1980 - 1984	122	35.2%	24	14.3%
TOTAL RESPONSES	347		168	

CAREER HISTORY

	OVER 21% GROWTH		0 - 20%	
	TOTAL	PERCENT	TOTAL	PERCENT
no business experience	56	17.0%	32	19.5%
worked in business				
small	65	19.8%	35	21.3%
medium	66	20.0%	30	18.3%
large	101	30.7%	46	28.0%
owned another business	41	12.5%	21	12.8%
TOTAL RESPONSES	329		164	

Appendix B - Total Sample Responses

Section I - Demographics and Business Capabilities

#3--Location of Firm

STATE		PERCENT OF TOTAL RESPONDENTS
Alaska	1	<1.0%
Arizona	3	<1.0%
California	86	11.2%
Colorado	42	5.4%
Connecticut	1	<1.0%
Delaware	1	<1.0%
District of Columbia	51	6.7%
Florida	64	8.3%
Georgia	1	<1.0%
Illinois	117	15.2%
Indiana	13	1.6%
Iowa	2	<1.0%
Kansas	63	8.2%
Kentucky	1	<1
Louisiana	2	<1
Maryland	69	9.0%
Michigan	43	5.6%
Minnesota	8	<1
Missouri	29	3.8%
Nebraska	12	1.5%
Nevada	1	<1
New York	30	3.9%
North Carolina	13	1.6%
Ohio	5	<1.0%
Oklahoma	1	<1.0%
Pennsylvania	45	5.9%
Texas	40	5.2%
Vermont	1	<1.0%
Virginia	20	2.6%
Wisconsin	4	<1.0%

#5--Percent of Ownership Total Responses = 752

	TOTAL	PERCENT
Less than 10%	12	1.2%
11-24%	16	2.0%
25-50%	140	18.6%
51% or more	584	77.7%